

Message Text

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ACTION EB-11

INFO OCT-01 EUR-25 EA-11 ISO-00 DODE-00 NSAE-00 RSC-01

TRSE-00 AEC-11 CIAE-00 COME-00 SCI-06 NSCE-00 MC-02

ACDA-19 SAJ-01 OMB-01 PM-07 H-03 INR-10 L-03 NSC-07

PA-04 PRS-01 SP-03 SS-20 USIA-15 DRC-01 /163 W

----- 041778

R 081435Z JUL 74

FM AMEMBASSY SOFIA

TO SECSTATE WASHDC 8266

INFO USMISSION BERLIN

USLO PEKING

USMISSION OECD PARIS

AMCONSUL HONG KONG

AMEMBASSY BUCHAREST

AMEMBASSY BUDAPEST

AMEMBASSY PRAGUE

AMEMBASSY MOSCOW

AMEMBASSY VIENNA

AMEMBASSY WARSAW

C O N F I D E N T I A L SOFIA 1145

E.O. 11652: GDS

TAGS: ESTC, ETRD, BU, US

SUBJECT: LICENSING OF US COMPUTER COMPONENTS: EXPORT APPROVAL FOR
LARGE-SCALE INTEGRATED CIRCUITS

REF: A. STATE 134075; B. SOFIA 0956

1. ON JUNE 24 LICENSING MANAGER JAY FARLEY OF AMERICAN
MICROSYSTEMS, INC (AMI) OF SANTA CLARA, CALIFORNIA CALLED
ON EMBASSY TO REQUEST ASSISTANCE IN OBTAINING EXPORT-APPROVAL
FOR THE SALE UNDER LICENSE OF 500,000 DOLLARS WORTH OF LARGE-
SCALE INTEGRATED CIRCUITS FOR USE IN BULGARIAN COMPUTERS.
AMI THROUGH FARLEY APPLIED FOR EXPORT LICENSE ON MARCH 22
(CASE NUMBER 105315) AND STILL HAS HAD NO WORD ON THE DATE
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IT WILL BE PUT ON THE COCOM DOCKET. THE BULGARIAN PUR-

CHASER ISOTIMPEX IS BEGINNING TO PRESSURE AMI ON DELIVERY DATE.

2. ACCORDING TO FARLEY, AMI HAD MADE A SIMILAR APPLICATION IN 1972 WHICH WAS APPROVED, BUT AT THAT TIME THE DEAL WITH ISOTIMPEX FELL THROUGH. HE WAS INFORMED IN WASHINGTON THIS MARCH THAT THE PREVIOUS EXPORT LICENSE HAD EXPIRED AS IT HAD A 90-DAY LIMIT AND THAT SINCE THE NEW CONTRACT SPECIFIED TWICE THE NUMBER OF INTEGRATED CIRCUITS THAN THE PREVIOUS ONE, HE WOULD HAVE TO APPLY AGAIN.

3. COMMENT: WE GREATLY WELCOME THE MAJOR REVIEW OF COMPUTER POLICIES REPORTED REF (A) AND THE LIBERALIZATION OF LICENSING CONDITIONS THAT IT PROTENDS, BUT ARE NOT CLEAR TO WHAT EXTENT THE NEW LIBERALIZED PROCEDURES WILL APPLY TO COMPONENTS. FROM POINT OF VIEW OF US-BULGARIAN TRADE, APPROVAL OF A RELATIVELY SMALL TRANSACTION SUCH AS THE ONE INVOLVING AMERICAN MICROSYSTEMS WOULD OBVIOUSLY BE DESIRABLE.

4. IN ANY CASE, THE GREAT DELAYS IN FINDING OUT WHETHER EXPORT LICENSE ARE GOING TO BE FORTHCOMING ARE CLEARLY DAMAGING OUR DEVELOPING TRADE RELATIONSHIP WITH BULGARIA. THE CASE OF MICROSYSTEMS IS NOT AN ISOLATED ONE. PROBLEMS ASSOCIATED WITH OBTAINING EXPORT LICENSE FOR WANGCO MINI COMPUTER DISC DRIVES AND TAPES REF B) HAVE CAUSED, OR AT LEAST CONTRIBUTED TO, A COMPUTER PLANT HERE (AT STARA ZAGORA) TO BE SHUT DOWN TWO MONTHS AGO. WE BELIEVE THAT APPLIED MAGNETICS CORPORATION OF GALETA, CALIFORNIA, HAS ALSO EXPERIENCED DELAYS IN LEARNING WHETHER LICENSES WOULD BE GRANTED, AND THIS HAS IMPAIRED THEIR ABILITY TO DO BUSINESS HERE.

5. AT THE VERY LEAST, THEREFORE, WE HOPE THAT PROCEDURES CAN BE SPEEDED UP WHEREBY DECISIONS ON LICENSING WILL BE FORTHCOMING MORE QUICKLY. WE WOULD LIKE TO BE INFORMED TO WHAT EXTENT THE CURRENT POLICY REVIEW WILL ALLOW ALSO LIBERALIZATION OF COMPUTER COMPONENT EXPORT CONTROLS (SEE PARA 12 REFTEL A). AND IN THE SPECIFIC CASES AT HAND REQUEST THAT AMI CONTRACT WITH ISOTIMPEX
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BE PLACED QUICKLY ON REVIEW BEFORE COCOM BOARD IF THIS IS STILL NECESSARY. FINALLY, WILL ALSO APPRECIATE LEARN STATUS OF WANGCO-ISOIMPEX CASE (REF B).
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Message Attributes

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Draft Date: 08 JUL 1974
Decaption Date: 01 JAN 1960
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Disposition Action: RELEASED
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Disposition Authority: golinofr
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Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
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30 JUN 2005

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